



Meeting of the BBC Board

MINUTES

19 March 2020
Via Video Conference

ITEMS OF BUSINESS

1. Apologies and Conflicts of Interest
2. Minutes from the 13 February Meeting
3. Executive Reports
4. P2020 Update
5. TV Portfolio
6. England Strategy and Implementation
7. 2020-21 Budget and Annual Plan
8. Regulatory Issues
9. BritBox Update
10. Music Rights Negotiation Mandate
11. BBC Financing Update
12. Committee Reports
13. AOB

ATTENDANCE

Present

- David Clementi Chairman
- Tony Hall Director-General
- Tim Davie Chief Executive Officer, BBC Studios
- Shirley Garrood Non-executive director
- Tanni Grey-Thompson Non-executive director
- Ian Hargreaves Non-executive director
- Tom Ilube Non-executive director
- Ken MacQuarrie Director, Nations and Regions
- Steve Morrison Non-executive director (items 1-6)
- Nicholas Serota Non-executive director
- Elan Closs Stephens Non-executive director
- Ashley Steel Non-executive director
- Fran Unsworth Director, News and Current Affairs

Apologies:

With

- Phil Harrold Company Secretary
- Jo Clarke Secretary to the Board
- Glyn Isherwood Chief Financial Officer
- Barbara Slater Director, Sport (item 1)
- Bob Shennan BBC Managing Director (items 1-10)
- David Jordan Director, Editorial Policy and Standards (items 1-3)
- Charlotte Moore Director, Content (items 1-7)
- James Purnell Director, Radio & Education (items 1-7)
- Gautam Rangarajan Director, Strategy (items 1-8)
- Kerris Bright Chief Customer Officer (items 4 and 7)
- Clare Sumner Director, Policy (items 4 and 7)
- Helen Thomas Director, England (item 6)
- Matthew Postgate Chief Technology and Product Officer (item 7)
- Bal Samra Commercial Director (items 9-10)

1. Apologies and Conflicts of Interest

- 1.1 There were no apologies. The Chairman noted that the meeting was being held remotely due to the coronavirus pandemic.

3. Minutes from the 13 February Board Meeting

- 3.1 The minutes from the 13 February were approved.
- 3.2 The Board noted the Matters Arising.

4. Executive Reports

- 4.1 The Director-General opened the meeting by briefing the Board on the BBC's business continuity response to the coronavirus pandemic. In line with the Government's ban on non-essential travel and the need to protect staff, home-working had been rolled out across the BBC with around 13,500 people now working from home. Staff had been provided with a coronavirus hotline and were communicated with daily and provided with support regarding their well-being and information about the best way to keep the internal network resilient. A weekly call with all staff is being hosted by the Director-General. The first of these had taken place the previous day with 28,000 staff and freelancers calling in.
- 4.2 Measures were also in place to ensure critical output and core services could be sustained when many staff were likely to be either ill, or in self-isolation. News services in particular would be streamlined in order to preserve staff resource and ensure people could work at safe distances from each other. An audit of staff resource was being undertaken across the organisation to enable a skill share approach. Changes had been made to how buildings were managed including enhanced cleaning regimes and the closure of non-essential areas. There would be no live studio audiences and BBC premises would be closed to the public.
- 4.3 The BBC would also respond to the crisis by introducing tailored editorial services, focussing on its core mission to inform, educate and entertain. Programmes being developed included a daily health and fitness programme and a suite of educational programmes provided across all platforms for all age groups to help children being educated at home, supported by the Department for Education.

- 4.4 The Director, Content, provided an update on operations across her areas of responsibility. It was clear that linear programming would be increasingly important as families began to spend more time together due to self-isolation and social restrictions. *The One Show* would focus editorial which brought the UK together with information and shared experience. Work was also taking place to counter the pressure which would be felt on programme schedules for Autumn and Christmas, as television production had now ceased.
- 4.5 The Director, Radio and Education provided an update on operations and performance. Radio and Education had been working closely with Content on the educational proposals which would harness resources and expertise across the organisation. It was clear that Radio would be critically important to people as a source of information, distraction and company over the coming weeks. BBC Sounds had been performing well with listeners and a special coronavirus podcast had been produced. Additional box sets had been added to Radio Four's archive content.
- 4.6 The Director, News and Current Affairs, provided an update on performance and operations. The key priority for News was to ensure critical news services were sustainable. Priorities would be the news bulletins, the News Channel and News Online. Given the impact of the virus on staff and their requirement to self-isolate, maintaining sufficient journalists, production and presentation staff would be challenging but operations would be streamlined where necessary to support core services. Talks were also taking place with Government about the designation of key workers to ensure necessary staff were included.
- 4.7 The Director, Nations and Regions, provided an update on operations and performance. National and regional TV and radio, and local radio services were currently attracting huge audiences. The output was focussing on its mission to inform, educate and entertain whilst ensuring staff were also supported. The 'Make a Difference' campaign was being run across local radio in England to facilitate the sharing of help, support and resource across local communities and to share those stories on-air.
- 4.8 The Chief Executive Officer, BBC Studios provided an update on operations and performance. The overwhelming majority of productions have been put on hold across the industry, which, alongside significant impacts to advertising revenues, are the key issues facing BBC Studios and the wider industry. Also, the implications of the crisis for the freelance community would be very significant and work was taking place to consider what the BBC could do to help support them.
- 4.9 The Board noted the Editorial Standards Report. The Director of Editorial Standards and Policy briefed the Board that it was likely that the impact of the virus would make it difficult to maintain staff numbers in Audience Services and the Capita call centre in Belfast, which was likely to negatively impact complaints turnaround times.

- 4.10 The Board considered the Operational Performance Report, which included updates on finance and the BBC's critical projects. The Board noted that the financial impact of the emergency changes to the output and operations would have an impact on the Budget.

NI BH Project

[paragraph 4.12 redacted for future publication]

- 4.11 The Board noted a report from Audit Committee on the status of the Northern Ireland Broadcasting House development.

Six Nations

[Paragraphs 4.13-4.15 redacted for commercial confidentiality]

5 P2020 Update

Over 75s Policy Implementation Delay Update

- 5.1 In the light of the coronavirus pandemic the Board had held an extra-ordinary Board call on 15 March in which it decided that the implementation of its over 75s licence fee policy should be delayed until 1 August 2020. The Board then further discussed the implications of that decision, agreed a record of its reasoning for that decision and approved a variation on the legal determination to put that decision into effect.
- 5.2 Board members were clear that flexibility would be essential in the timing of the implementation and that this would have to be kept under review. The communications with over 75s should be clear that their free licences would be extended until further notice.

Over 75s Policy Implementation: Cost Update

- 5.3 The Board noted the updated costs of the Programme and the actions being taken.

6. TV Portfolio

- 6.1 BBC Content had undertaken a review of its content, services and costs, to ensure that spend was allocated as effectively as possible to improve performance with young audiences and drive on-demand growth.

- 6.2 The Board considered the review and its recommendations for re-shaping the TV portfolio. Directors agreed that the proposals reflected the strategic aims of the organisation and would be an effective means of delivering them with regard to TV content. The Board approved the changes, but requested further detail on the plans for BBC Four.
- 6.3 Directors approved the inclusion of the proposals in the Annual Plan and requested a full review of the TV and Radio portfolio to return to a future meeting.

7 England Strategy

- 7.1 In consideration of proposals for a new local radio strategy at its November meeting, the Board agreed that an overarching integrated strategy for local and regional services in England, of which radio would be a part, should be developed. The development of the strategy had been discussed by the England Committee at its January meeting and was now returning for Board approval.
- 7.2 The Board considered the new integrated strategy for England. Directors supported the plan to reshape resources on TV, radio and online to more effectively meet audience needs and consumption patterns in different areas of the country, with particular regard to communities and audience groups who were currently under-served.
- 7.3 The Board discussed the details of the proposals, which covered the associated investments, savings and editorial plan. Directors approved the proposals but suggested that the plans for commissioning regional and local current affairs content and for improving ways of working across the local and network operations should be drawn out more fully.
- 7.4 The Board agreed that a comprehensive implementation plan including resource requirements should return to the Board.

8. 2020-21 Budget and Annual Plan

Licence Fee Collection Strategy

- 8.1 The Board approved the Licence Fee Collection Strategy.

2020-21 Budget

- 8.1 This paper presented the Board with the draft 2020-21 Budget, which had been revised to reflect comments made at the first discussion of the Budget in February. Whilst recognising that 2020-21 would be a challenging financial period for the BBC due to the

transition in the policy and funding for licences for those over the age of 75; Directors had requested that the Budget be amended to optimise the investment in content in 2020-21, particularly with regard to younger audiences.

- 8.2 The Board discussed the revised Budget. It was clear, however, that the impact of coronavirus on the BBC, wider industry and economy as a whole would be hugely significant. Therefore, Directors approved the baseline Budget plan and requested that a revised financial forecast should come to the April Board for further consideration.

2020-21 Annual Plan

- 8.3 The Board noted that in the light of the coronavirus pandemic Ofcom had agreed that a revised approach to this year's Annual Plan could be developed – covering the BBC's programming response to social isolation and lockdown measures, and an outline of its strategic plans for the year. This would be published later than planned and would return to the Board for consideration and approval ahead of publication.

9 Regulatory Issues

Decriminalisation Review

- 9.1 The Board considered the BBC's draft response to the UK Government's Decriminalisation Review and approved it for submission.

Public Service Broadcasting (PSB) Review

- 9.2 The Board considered an initial paper on the BBC's approach to Ofcom's PSB Review. Directors proposed a number of further points for inclusion in the BBC's draft approach when it next returned for discussion at the Board.

10 BritBox Update

- 10.1 The Board noted an update on the performance of BritBox since launch.

11. Music Rights Negotiation Mandate

[Paragraph 11.1 redacted for commercial confidentiality]

- 11.1 The Board approved a negotiating mandate

11.2 The Board delegated approval of the final terms within the mandate to the Chief Financial Officer and the BBC's Managing Director.

12. BBC Re-financing

12.1 The Board approved the proposed renewal of the BBC's public service debt facility as set out in the paper, with delegated authority granted to the Chief Financial Officer to approve and sign the final transaction documents.

12.2 The Board also approved the draft resolution as set out in Annex One of the paper.

12.3 The Board noted that plans for a renewed debt facility in BBC Studios would be considered at the next meeting of Commercial Holdings Board.

13 Committee Reports

13.1 The Chair of the Remuneration Committee reported on its most recent meeting. Items included for discussion were the incentive scheme in BBC Studios and the remuneration report for the Annual Report.

13.2 The Chair of the Editorial Guidelines and Standards Committee reported on its most recent meeting. Items for discussion had included the roll-out of the revised Editorial Guidelines, the changes to the Complaints Framework for consultation and the latest research on public perceptions of impartiality.

13.3 The Chair of the Northern Ireland Committee reported on its most recent meeting, which had taken place in Lisburn, Northern Ireland and included an audience engagement session with licence fee payers.

13.4 The Chair of the Audit Committee reported on its most recent meeting, which had focussed on the status of a number of the BBC's critical projects and next year's internal audit plan.

Board and Sub-committee Effectiveness Review: Action Plan

13.5 The Board considered a plan setting out how the recommendations coming out of last year's Board and Sub-committee Review would be implemented.

13.6 The Board approved the recommendations and implementation plan.

Re-appointment of Independent Pension Board Trustee

- 13.7 Under the BBC Pension Scheme Trust Deed and Rules and the Matters Reserved for the Board, Independent Trustees are appointed by the BBC Pension Trust Ltd Board, with the approval of the BBC.

- 13.8 The Board approved the re-appointment of Kevin Carter as an Independent Trustee for a term of three years, from 1 September 2020.

14 AOB

- 14.1 There was no other business.

Approved by the Board: _____ (Chairman)

_____ (Date)